



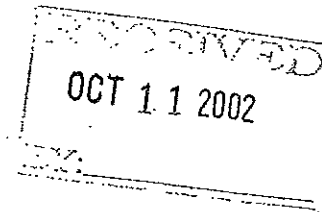
Ed Buelow, Jr., Chairman  
and Commissioner of Revenue

Russell E. Hawkins, CPA  
Associate Commissioner

Terry L. Jordan  
Associate Commissioner

**MISSISSIPPI**  
**STATE TAX COMMISSION**

Post Office Box 1033  
Jackson, Mississippi 39215



October 10, 2002

Ms. Nancy Lau, Branch Director  
Mississippi Soil & Water Conservation District  
Post Office Box 23005  
Jackson, MS 39225

Ref: Sales Tax Exemption

Dear Ms. Lau:

This is in response to your letter of September 20, 2002, in which you asked that we provide you with a statement verifying the Mississippi Soil & Water Conservation District's exemption from sales and use tax.

After a search of the applicable statutes, this is to confirm that the Mississippi Soil & Water Conservation District does qualify for sales tax exempt status pursuant to Section 27-65-105(a), Mississippi Code of 1972. This Section provides that sales of tangible personal property or services made to the United States Government, the State of Mississippi and its' departments, institutions, counties and municipalities or departments or school districts of said counties and municipalities are exempt from sales taxes. **As a prerequisite to exemption, the sale of property or charge for services must be sold directly to, billed directly to and paid for directly by the exempt entity.**

This exemption does not apply to sales of tangible personal property or services to contractors purchased in the performance of contracts with the exempt entity, nor the employees of the exempt entity, although the contractor or employee may be reimbursed for the expense by the exempt entity. The exemption also does not apply to Production Taxes nor Contractors Taxes levied by Sections 27-65-15 and 27-65-21, Mississippi Code of 1972, respectively.

You may use a copy of this letter in order to substantiate their exempt status. I trust that this is the information you were requesting. Should you have any additional questions, feel free to contact this office at (601) 923-7015.

Sincerely,

A handwritten signature in cursive script that reads "Peggy Malone".  
Peggy Malone, Auditor  
Sales and Use Tax Bureau